

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple - Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940

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FEB 03 2003
DIV. OF OIL, GAS & MINING

ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I. General Information

1. Report Time Period: From (mo./yr.) 1/02 To (mo./yr.) 12/02
 2. DOGM File Number (Mine No): M/01 / 027
 3. Mine Name: Pearl Queen Perlite
 4. Mineral(s) Mined (or permitted to mine): Perlite
 5. Type of mine ☒ Surface Mine or ☐ Underground Mine
 6. Legal Description (Location of Lands Affected):
1/4, 1/4, 1/4, Section 2, Township 27S, Range 9W
1/4, 1/4, 1/4, Section , Township , Range
1/4, 1/4, 1/4, Section , Township , Range
 7. Name of Operator or Company: Basin Perlite Company
 8. Permanent Street Address: 2160 Republic Plaza 370 17th Street
City, State, Zip: Denver, CO 80202
Phone: 720 904-1900 Fax: 720-904-1904
 9. Company Representative (or designated operator):
Name: William R. Wilson
Title: President
Business Address: 370 17th Street, Suite 2160
City, State, Zip: Denver, CO 80202
Phone: 720 904-1900 Fax: 720 904-1904
- ☐ Please check if any of the above information has changed since previous year.

II. Mining and Reclamation

1. Was there any mine related activity during the past year? Yes ☒ No ☐
2. If no - what was the last year of activity? _____
3. If yes - how much ore or mineral was mined? 39,259 tons hauled to the
plant for processing. 37,296 tons processed and
27,843 tons shipped.

4. Briefly describe the type of work performed, volume of material moved, and any new or additional surface disturbances that occurred during the past year.

Mined 40,000 tons in 2002 with ore crushed to - 1 1/2"

5. How much **additional acreage** was disturbed during the past year? < 1 acre
6. How much acreage was **reclaimed** during the past year? _____
7. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.

Minor recontouring in the south end of the pit.

8. What is the **total** disturbed acreage of entire project at years end? 12 acres
9. Briefly summarize any mining and/or reclamation plans for the upcoming year.

No mining planned in 2003. Continuing the
recontouring in the south and east end of the pit
in 2003.

NOTE: Section III., "Additional Information" applies only to **large mining operations**.

III. Additional Information - R647-4-121.2 and .3

1. The operator shall include an updated map depicting surface disturbance and reclamation performed during the year, prepared in accordance with Rule R647-4-105.
2. The operator shall keep and maintain timely records relating to his performance under the Act, and shall make these records available to the Division upon request.

IV. Signature Requirement

I hereby certify that the foregoing is true and correct.

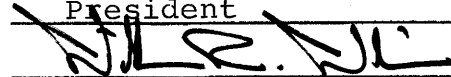
Name (Typed or Print):

William R. Wilson

Title of Operator:

President

Signature of Operator:



Date:

January 30, 2003

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I. General Information

1. Report Time Period: From (mo./yr.) 1/02 To (mo./yr.) 12/02
2. DOGM File Number (Mine No): M/01 / 027
3. Mine Name: Schoo
4. Mineral(s) Mined (or permitted to mine): Perlite
5. Type of mine ☒ Surface Mine or ☐ Underground Mine
6. Legal Description (Location of Lands Affected):
1/4, 1/4, 1/4, Section 1, Township 27S, Range 9W
1/4, 1/4, 1/4, Section , Township , Range
1/4, 1/4, 1/4, Section , Township , Range
7. Name of Operator or Company: Basin Perlite Company
8. Permanent Street Address: 2160 Republic Plaza, 370 17th Street
City, State, Zip: Denver, CO 80202
Phone: 720 904-1900 Fax: 720 904-1904
9. Company Representative (or designated operator):
Name: William R. Wilson
Title: President
Business Address: 370 17th Street, Suite 2160
City, State, Zip: Denver, CO 80202
Phone: 720 904-1900 Fax: 720 904-1904
☐ Please check if any of the above information has changed since previous year.

II. Mining and Reclamation

1. Was there any mine related activity during the past year? Yes ☒ No ☐
2. If no - what was the last year of activity? _____
3. If yes - how much ore or mineral was mined? 21,536 tons hauled to the
plant for processing, 20,459 tons processed and
15,273 tons shipped

4. Briefly describe the type of work performed, volume of material moved, and any new or additional surface disturbances that occurred during the past year.

Mined 21,000 tons in 2002 with ore crushed
to 1 1/2"

5. How much additional acreage was disturbed during the past year? None
6. How much acreage was reclaimed during the past year? None
7. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results. None

8. What is the total disturbed acreage of entire project at years end? 4 acres
9. Briefly summarize any mining and/or reclamation plans for the upcoming year.

Mine 50,000 - 75,000 tons in 2003. Upon approval
of revised mining permit, south side of pit
used for storing and covering plant fines.

NOTE: Section III., "Additional Information" applies only to large mining operations.

III. Additional Information - R647-4-121.2 and .3

1. The operator shall include an updated map depicting surface disturbance and reclamation performed during the year, prepared in accordance with Rule R647-4-105.
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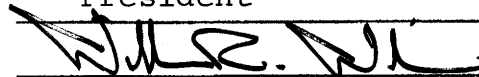
Name (Typed or Print):

William R. Wilson

Title of Operator:

President

Signature of Operator:



Date:

January 30, 2003



TM
3/10/03
M/001/027

January 31, 2003

D. Wayne Hedberg
Permit Supervisor
Minerals Reclamation Program
Department of Natural Resources
Division of Oil, Gas and Mining
State of Utah
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

VIA FAX (801) 359-3940

Dear Wayne:

Pleased find herein the Annual Reports for Basin Perlite Company's Pearl Queen Perlite mine, M010027, and the Snowflake Property, S27010 for the Year 2002. We have included two reports for the Pearl Queen perlite mines as Basin is now operating in two pits, the Pearl Queen pit and the Schoo pit. A original of this report has been mailed to you with the SURFACE DISTURBANCE MAP, DECEMBER 2002 for the Pearl Queen Perlite Mine. The map related to the Snowflake Property is being sent to this office by Jay Gatten and will be forwarded to you under separate cover. You should receive the original of this report and the second map next week.

If you or your staff has any questions regarding these reports, please call me at (720) 904-1900.

Very truly yours,

William R. Wilson
President
Basin Perlite Company

CC: Tim Hall – Basin Perlite Company
Jay Gatten – North American Exploration, Inc.

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